

ARTICLE 202

ECONOMIC GOALS, POLICIES, AND STRATEGIES

INTRODUCTION TO ECONOMIC POLICIES

The economy of Detroit has long been based on the manufacturing of transportation vehicles and consumer durable goods. Detroit industry has produced every type of transportation vehicle from autos to aircraft, from steamships to spaceships. In the 1980's, however, Detroit's economic base is experiencing a profound transformation: it is moving from a reliance on manufacturing jobs toward an increased emphasis on service-oriented jobs.

The economic policies set forth here recognize the importance of the past as well as the future; they address both the manufacturing sector and services sector and the challenge to retrain and re-educate Detroit's labor force so that the transition from past to future will benefit all workers. The policies also recognize the increased participation of women in the labor force and the many implications this has for child-rearing practices and the social environment.

Finally, Detroit's closeness to Canada and its location on the Great Lakes/St. Lawrence Seaway is viewed as a very positive economic factor.

The general economic climate of the community is the element which allows the other needed social and physical improvements to happen. The economic policies are fundamental to the future of Detroit. They are the foundation upon which other kinds of development will build.

EMPLOYMENT POLICIES

❑ **POLICY 202-1: *Full employment for Detroit residents.***

Continue to assign the highest priority to attaining full employment for Detroit's residents.

METHODS:

- Helping unemployed to plan better for their re-entry into the work force. Insuring adequate unemployment benefits, and encouraging unemployed to get skill retraining when needed.
- Recognizing workers' needs for security, predictability, advancement, and quality work life.

- Continuing realistic programs to attract new industry in targeted areas.
- Promoting incubation of new industry.
- Balancing stability with growth.
- Creating an environment attractive to business and industry relative to taxes, services, education, and setting.
- Promoting new services employment in selected areas.
- Exploring shorter work weeks and job sharing to spread benefits of available jobs.
- Fostering entrepreneurship, solving credit and insurance barriers.
- When unemployment is high, increase public sector jobs, especially rebuilding infrastructure.
- Encouraging support for youth corps.
- Encouraging placement of job providing institutions in City.
- Supporting tax credits for employing and training hard core unemployed.
- Seeking countercyclical funding from the Federal Government to cities with the most severe business cycles.

□ **POLICY 202-2: *Economic development planning and delivery system.***

Maintain an economic development planning and delivery system at a level which will enable Detroit to (1) make enlightened decisions in the area of economic development; and (2) compete effectively in the battle to retain and expand Detroit's existing employers and tax base and attract new employers.

METHODS:

- Expediting government approval process for developers.
- Encouraging formation of district employer associations.

- Assisting prospective employers to get financial incentives.
- Assisting employers in land assembly and infrastructure improvements.
- Encouraging training of entrepreneurs.
- Coordinating development to maximize overall impact.
- Encouraging development agencies to study overall economy and make the most of multiplier effects.
- Surveying employers to determine what is most needed.

□ **POLICY 202-3: *City of Detroit employment base.***

Continue and, where feasible, upgrade the planning and implementation of programs and projects aimed at maintaining and expanding employment opportunities in the City in order to:

- (1) provide jobs for residents unable to commute;
- (2) provide adequate levels of local retail commercial services for residents;
and,
- (3) improve the City's tax base.

METHODS:

- Making use of viable enterprise zone legislation.
- Providing transportation to where jobs are located.
- Revising laws to give adequate special incentives to locate in central city locations.
- Discouraging building public facilities which encourage urban sprawl.

□ **POLICY 202-4: *Education and job training and retraining.***

Provide Detroit residents the qualifications and job skills necessary to:

(1) enable them to compete effectively for available jobs, and

(2) provide a skilled labor pool that will enable Detroit both to retain existing employers and attract new ones.

METHODS:

- Using incentives to provide on-the-job training.
- Working toward a more effective and better funded Federal job training program.
- Working with school system to insure timely and suitable training for youngsters to enter the work force.

□ **POLICY 202-5: *Equal employment opportunities for minorities, women, and the handicapped.***

Continue and, where feasible, upgrade the promulgation and enforcement of rules and the planning and implementation of programs and projects aimed at providing equal employment opportunities for minorities, women, and the handicapped.

METHODS:

- Pursuing affirmative action for minorities, women, and the handicapped.
- Expanding Head Start programs and day-care programs.
- Encouraging labor unions to include minorities, females, and the handicapped in apprenticeship programs.
- Supporting flexible working hours and/or work at home programs.
- Supporting principles of equal pay for equal work.
- Supporting small business assistance for minorities and women.

❑ **POLICY 202-6: *Job opportunities and services for women.***

Make a special effort to improve job opportunities and related support services for female heads of households.

METHODS:

- (Many of the approaches for serving these women would also aid in meeting the needs of men, especially single parents.)
- Facilitating work-at-home arrangements and flexible work schedules for single parents.
- Encouraging neighborhood level community support systems for fragile families.
- Encouraging creation of child-care centers and latch-key programs.
- Inducing continuing public discussion of the causes of and remedies for female poverty that results in large numbers of children growing up in adverse poverty circumstances.
- Exploring job sharing strategies.

SERVICE SECTOR POLICIES

❑ **POLICY 202-7: *Growth potential of service industries.***

Target plans, programs, and projects to retrain and expand service industry employers because this is the primary sector of the economy where there is growth.

METHODS:

- Recognizing health services as major job providers.
- Encouraging Detroit financial institutions to remain nationally competitive.
- Encouraging foreign banks to locate in Detroit.

❑ **POLICY 202-8: *Retail development.***

Stimulate the local entrepreneurial talent of the City of Detroit by helping those already in business to compete effectively on a regional basis, and by encouraging new community-serving businesses to develop in the City.

METHODS:

- Increasing the quality and use of market survey techniques to determine the significant consumer market segments in Detroit.
- Encouraging individual merchants and businessmen's associations to become sensitive to the needs of particular groups of consumers, such as the elderly, single-parent households, female shoppers, male shoppers, workers with limited time to shop, youth, visitors, conventioners, etc.
- Encouraging Detroit's educational community to make pupils aware of the possibilities of their becoming entrepreneurs.
- Encouraging education for creative problem solving.
- Encouraging training in entrepreneurship for adults.
- Encouraging local merchants to form associations to make collective purchases for cost savings, for bookkeeping and cost-cutting devices, market information, and credit problems.
- Encouraging the development of shoppers' cooperatives and other forms of local ownership.
- Encouraging local merchants to sponsor special community events and in general maintaining close relations with their local community.
- Surveying existing businesses that may wish to locate outlets in Detroit (such as off-price retailers) and assisting in finding suitable locations.
- Encouraging the location of chain stores.

❑ **POLICY 202-9 : *Commercial (for-profit) recreation and entertainment: an economic development tool.***

Recognize the strong role that the commercial recreation sector plays in the City economy and promote it as an economic development tool.

METHODS:

- Promoting the downtown and adjacent areas as a major commercial entertainment center.
- Promoting the convention and tourism industry focusing on the Central Business District.
- Encouraging commercial water-related recreation uses on the riverfront.
- Encouraging artists and art groups.
- Helping promote other entertainment facilities in the City.

❑ **POLICY 202-10: *Cultural events.***

Recognize the value of cultural events for attracting tourists to the City, and promote them as an economic development tool.

METHODS:

- Understanding and fostering the economic relationship between the recreation and culture programs.
- Developing a concentrated area, cooperatively backed by both public and private development, for non-profit arts and cottage craft industries, theaters, dance studios, design and fashion outlets, musical venues, food, shopping, and for-profit entertainment outlets.
- Fully restoring and promoting historically important facilities like Fort Wayne.
- Renovating and promoting for cultural and business use historical buildings, warehouses, and movie palace structures.

- Increasing tours of industrial plants and other businesses.
- Encouraging the development of travel and promotional packages featuring all aspects of Detroit's cultural offerings.
- Monitoring all arts activity and ancillary economic dollar multipliers in the public, private, and non-profit sectors.

□ **POLICY 202-11: *Role of high technology in the economy.***

Utilize the knowledge that high technology is not a separate economic sector but a facet of the modernization of home, offices, factories, and the developing of plans, programs, and projects to improve Detroit's economy.

METHODS:

- Attracting and developing high tech industries and encouraging availability of venture capital.
- Promoting use of advanced technology in City agencies, and coordinating with private sector use.
- Encouraging further research and development in industrial processes.
- Supporting testing and training labs for small companies.

□ **POLICY 202-12: *Energy usage.***

Monitor the role energy plays in Detroit's relative economic advantage.

METHOD:

Conducting more systematic research about the role of energy considerations in industrial location; pinpointing problems and seeking solutions affecting industrial location in Detroit.

MANUFACTURING POLICIES**□ POLICY 202-13: *Manufacturing employment.***

Continue and, where feasible, upgrade the planning and implementation of programs and projects targeted at retaining and expanding manufacturing employment even though the relative size of this sector of the economy is declining rapidly, because manufacturing jobs in general pay a living wage to their employees.

METHODS:

- Supporting the auto industry as a continuing base of the economy and assist the just-in-time inventory process.
- Encouraging the local steel industries to modernize.
- Encouraging local industry to use the local aluminum scrap.
- Supporting updating of machine-tool industry.
- Encouraging diversifying the economy.
- Fostering food processing industries, especially for export.
- Developing a local manufactured housing industry.
- Monitoring new industry trends and encouraging modernization.
- Fostering entrepreneurship and innovation.
- Utilizing available State funds to aid food processing-related business.

□ POLICY 202-14: *Industrial employer retention and expansion.*

Continue and, where feasible, upgrade Detroit's plans and programs to facilitate the retention and expansion of existing industrial employers.

METHODS:

- Providing financial assistance for modernization and expansion.

- Organizing and supporting industrial district associations.
- Assisting employers to find new markets.
- Assisting in land acquisition through various means including assembling and inventorying vacant parcels and expediting the transferral process where appropriate.
- Encouraging relocating to new Detroit facility when needed, or to stay nearby in the region if a suitable site is not available in Detroit.
- Encouraging legislation to attract or retain employers.
- Determining problems of employers through regular contacts.
- Improving trafficways around industrial areas.

□ **POLICY 202-15: *Industrial employer attraction.***

Continue Detroit's plans and programs to attract new industrial employers, including new branches of existing companies and, where feasible, upgrade them.

METHODS:

- Providing financial incentives for new employers including City equity position in projects where appropriate.
- Promoting knowledge of the fact that there exists a pool of skilled tool and die, model and pattern makers in the Detroit area.
- Promoting the advantages of the proximity and cooperative economic relationship between Detroit and Windsor, including the advantages brought about as a result of the Free Trade Agreement.
- Promoting unique sites near Port, Airport, etc.
- Assisting employers to find and develop sites, as needed.

- Maintaining and expanding industrial/commercial development promotional programs.
- Seeking suppliers of auto plants and foreign manufacturers to move to Detroit.
- Incubating new companies.
- Recruiting manufacturers which are less cyclical or counter-cyclical, where possible.

□ **POLICY 202-16: *Industrial site availability.***

Maintain an inventory of available industrial sites and facilities of various sizes so that requests from employers wishing to locate or relocate in Detroit can be met on a timely basis.

METHODS:

- Developing methods to make Detroit site costs competitive with suburban locations.
- Maintaining an inventory of vacant, ready to develop industrial sites of various sizes and transport options.
- Marketing the foreign trade zone.
- Assembling usable industrial parcels by combining vacant, obsolete industrial with vacant and deteriorated nearby residential use areas.
- Working with realtors in placing industries.
- Maintaining an inventory of shared space for sale or lease in multi-use buildings, and exploring the possibility of shared services.
- Exploring use of industrial shell buildings.
- Demolishing isolated vacant plants without economic potential.

HOUSING POLICIES

❑ **POLICY 202-17: *Private sector reinvestment in housing.***

Take appropriate actions to influence and facilitate increased private sector involvement in public programs that will propel and sustain City neighborhood-housing stabilization initiatives and promote City-wide revitalization.

METHODS:

- Encouraging private residential development.
- Periodically, reviewing the building code for anachronisms and City practices.
- Making available to the private sector a City-wide analysis and profile of Detroit neighborhood-housing needs.
- Giving priority to funding neighborhood programs that generate continued community investment with less public involvement.
- Supporting neighborhood-based housing programs.
- Insuring strict enforcement of the Michigan anti-redlining law and the community reinvestment act.
- Devising programs which facilitate and encourage higher levels of housing construction, maintenance, repair, and rehabilitation.
- Reviewing local housing development procedures and requirements to eliminate overregulation and unnecessary delays.
- Considering cooperative working programs between the financial institution, the City, property owner, and the tenants to induce rental property improvements.
- Encouraging more direct dialogue between private development interests and community residents.

- Developing programs to train minority housing developers, contractors, and rehabilitation workers.
- Considering programs to reduce land costs associated with neighborhood-housing development using appropriate incentives.

□ **POLICY 202-18: *Housing demand.***

Take appropriate actions to stimulate increased demand for Detroit housing by all household types.

METHODS:

- Improving public/private information sources on City housing availability.
- Insuring that fair housing legislation is enforced.
- Pursuing additional housing subsidies for lower income renters and home buyers.
- Pursuing employment and training programs which create job opportunities and provide skills.
- Reviewing local zoning ordinances and building codes for changes that will facilitate providing appropriate housing.
- Encouraging private market participation to provide housing choices.
- Supporting Federal and State legislation that would provide assistance to central city new housing construction and rehabilitation.
- Considering possible revisions or new programs that will provide additional financial resources to reduce the cost of housing.
- Promoting the systematic marketing of Detroit's image.
- Considering possible revisions or new programs to make more favorable mortgage financing available.

- Maintaining and developing public transportation facilities which make the City accessible.
- Encouraging increased public, private, and community cooperation in neighborhood security efforts.
- Supporting the development of amenities and services through capital and operating programs.
- Advertising the City's commitment to improving neighborhoods.

❑ **POLICY 202-19: *Home ownership.***

Continue to promote efforts to stabilize and increase the level of home ownership and owner-occupied housing in the City.

METHODS:

- Facilitating the removal of blighting conditions.
- Working with the insurance industry to provide a full line of insurance coverage at reasonable rates.
- Providing adequate funds and financing mechanisms to purchase and maintain homes.
- Supporting added State, Federal, and local programs that increase home ownership.
- Monitoring and assessing the viability of condominium and cooperative conversions.
- Supporting additional free or at-cost home repair and maintenance programs for lower income owners.
- Informing the public about different kinds of mortgages and their pitfalls.

❑ **POLICY 202-20: *Detroit city finances.***

Increase Detroit's tax base by promoting development. Obtain a fair share of Federal and State entitlement funds. This should be done so that the City will

have adequate stable revenue sources to provide services to residents and employers, with an overall tax burden and fee-for-services schedule no higher than the average for communities in southeastern Michigan.

METHODS:

- Implementing the City's development and employment programs.
- Implementing acquisition of adequate funding from State and Federal sources.

❑ **POLICY 202-21a: *Water supply rates.***

Maintain water rates at as moderate a level as possible which will provide sufficient revenue for proper system maintenance and operation but will not hamper economic development within the built-up area or discourage water sales to customers.

❑ **POLICY 202-21b: *Sewerage rates.***

Maintain sewerage disposal rates at a moderate level which provides sufficient revenue for proper system maintenance and operation, does not hamper economic development within built-up areas, or discourage communities from joining the Detroit system.

METHODS:

- Retaining present customer base.
- Improving working relationships with system customers and the general public.
- Carefully reviewing all requests to extend services beyond the present areas in order to discourage urban sprawl.